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For Immediate release - August 04, 2010

GOVERNOR PATRICK SIGNS IRAN DIVESTMENT BILL

New Law Prohibits State Pension Fund from Investing in Companies Supporting Iran's Oil Industry

BOSTON - Wednesday, August 4, 2010 - Governor Deval Patrick today signed legislation that will require the state pension management board to divest from companies involved in the oil industry in Iran. The board is currently barred from making investments in tobacco-related companies and those doing business with Sudan.

On July 1, 2010, President Obama signed the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010. The Act authorizes state and local pension funds to divest assets held in companies which invest in Iran's oil industry. The Obama Administration has criticized Iran for its efforts to develop nuclear weapons and support terrorism---efforts which are funded through development of Iran's petroleum assets.

"This new law sends a signal to the rest of the country and to the world that we will not tolerate the efforts of those who pose a threat to our citizens and our nation," said Governor Patrick. "I thank the Legislature for their support for this legislation and I am proud that Massachusetts is standing up for the right of all people to live in a world free from terrorism."

The new state law requires the \$44 billion Pension Reserves Investment Management Board (PRIM) to hire an independent research firm to identify all companies in which the public fund has direct or indirect holdings. The board must then, within one year, cease investments with those companies with active business interests in Iran. The PRIM Board is required to update its list of scrutinized companies on a quarterly basis based on regular information from the research firm.

"With this legislation, the House has signaled that we will not tolerate the investment of state funds in companies conducting business with Iran," said House Speaker Robert A. DeLeo. "Not only will this bill protect taxpayer money, but it will also send a clear message that Massachusetts will not support or enable the current Iranian regime."

"As thousands more of our fellow Americans head overseas to fight terrorism, why would we be investing our money in a country that funds terrorism and makes us less safe? By signing this legislation, Governor Patrick is protecting our pension fund and our taxpayers, while holding oil companies accountable for their decisions as to how, where and with whom to do business," said Representative Antonio F.D. Cabral, the bill's sponsor.

"This is a vote for the protection of public resources and the public safety. This bill's passage signals to taxpayers that the Legislature will not support investment of public dollars, designed to provide retirement security for our teachers, firefighters, police officers, and other public servants, in companies that provide the necessary revenue for the Iranian government to carry out its illicit activities---activities that risk the security of our nation and our soldiers," said Representative James E. Vallee, House Majority Leader.

"A nuclear Iran is a threat to the stability of the Middle East and peace-seeking democracies throughout the world. We thank Governor Patrick and the legislature for divesting the Commonwealth's pension funds from companies doing business with Iran, thereby sending a clear message that our investments will not further Iran's nuclear ambitions," said Nancy K. Kaufman, Executive Director of the Jewish Community Relations Council of Greater Boston.

"By divesting the pension fund's assets from Iran our state is sending a signal to the world that Massachusetts will not support financially or otherwise acts of terrorism and hate. We want to thank Governor Patrick, Senate President Murray, Speaker DeLeo, the Legislature, Congressman Frank and the Jewish Community Relations Council for working together to make this commitment to human rights and peace possible," said Gil Preuss, Executive Vice President of Combined Jewish Philanthropies (CJP).

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